

New Hampshire Municipal Association

THE SERVICE AND ACTION ARM OF NEW HAMPSHIRE MUNICIPALITIES

# LEGISLATIVE BULLETIN

Legislative Bulletin 11

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[Live Bill Tracker](#)  
[Bill Hearings Schedule](#)

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## Taking Away Your Rights of Speech, Free Association

**HB 456**, as amended, poses a grave threat to free speech and the ability of municipalities to effectively organize and advocate for their interests. While ostensibly targeting the New Hampshire Municipal Association (NHMA), this bill is about far more than one organization—it challenges the fundamental democratic rights of local officials, communities, and the statewide associations that represent them.

The bill is going to the House floor on **Wednesday, March 26**, or **Thursday, March 27**, with a 7-4 recommendation of ought-to-pass (OTP) from the [House Legislative Administration Committee](#). **We are urging everyone to [contact their representatives in the House](#) now and tell them to reject HB 456.**

The bill introduces sweeping restrictions on lobbying by any associations that receive public funds, **effectively creating an all-out ban on their participation in the legislative process. These measures curtail the free speech of these organizations and diminish the input of local government in shaping policy.** The bill also creates an artificial distinction between providing “information” and “lobbying,” yet offers no clear definition of what each entail. This confusion will chill free speech by leaving organizations unsure of what they can and cannot say.

It's important to remember that the dues paid to organizations like NHMA are already subject to approval by local legislative bodies, such as town meetings or city councils. NHMA members vote on legislative priorities during a policy conference, ensuring a supermajority consensus before positions are taken. This democratic process respects the will of its members while balancing the diverse needs of municipalities across the state. Membership is entirely voluntary, and local officials can disagree with the association's collective stance and testify in their own interests if necessary. At its core, **HB 456** is undemocratic because **democracy is predicated on majority rule**. Like other similar organizations, NHMA's advocacy is based on policies adopted by the members through a town-meeting style process. This bill rejects the will of the majority and takes steps toward dismantling local governments' right to organize and speak collectively. (It's also worth noting that private corporations receiving public funds are unaffected by this bill, which only targets certain groups' speech. No other law targets the speech of certain groups as this bill would.)

**HB 456** disregards the efficiency and fiscal prudence of having organizations like NHMA represent local officials in the legislative process. Without these associations, municipalities would face two undesirable outcomes: less input at the legislature or local officials being forced to spend more time lobbying, diverting them from their core duties to their communities. There is no shortage of dismissive arguments floated to try to downplay the real consequences of this bill; as one member of the **House Legislative Affairs Committee** stated, local officials can make time to go to Concord because legislators do!

The unintended (or perhaps intended) consequence of **HB 456** is a significant weakening of local government's voice in state policymaking. Municipalities rely on organizations like NHMA to track legislation, analyze its impacts, and represent their interests collectively. This not only saves money but ensures that lawmakers hear perspectives informed by on-the-ground expertise.

NHMA is far from the only organization that would be threatened by this sort of law. Many officials and employees in your town and others are members of professional organizations that provide advocacy services, including but not limited to building officials, assessing officials, town and city clerks, planners, police officers, firefighters, public works employees, human resources, and school district officials.

Anyone who cares about free speech and the voice of municipal government needs to **[contact their representatives in the House](#) RIGHT NOW and tell them to reject this shameless attempt to silence your voice.**

(And tell your friends to do the same!)

## Senate Passes Multiple Zoning Mandates

The Senate on Thursday passed eight zoning mandates that collectively strip municipalities of their right to self-government on a host of zoning issues, which will dramatically alter the character of many cities and towns.

“New Hampshire is not a home rule state, you need permission. We gave these towns permission to set zoning,” said one senator speaking in opposition to [SB 84](#), which creates statewide lot-size requirements. “And now, **like Lucy with the football, we’re trying to take it back.**”

These proposals, broadly framed as a response to the state’s housing shortage, take away local control, increase administrative burdens and further strain infrastructure and parking. Because nearly all these bills carry no cost to the state, they enjoy bipartisan support and more often than not end up on the House or Senate consent calendars, meaning there is no actual debate on the merits or drawbacks of these bills beyond the initial committee public hearings.

**Despite the outcome this week, it remains essential for local officials and residents to continue to engage with legislators, share their concerns, and advocate for balanced, practical approaches to zoning and housing development. Legislators also need to understand that the majority of these zoning mandates are rife with technical issues and sometimes conflict with existing laws, and it will be the taxpayer who bears the cost of trying to implement these new requirements if they become law. We do not believe that the majority of New Hampshire residents understand the extent to which their ability to shape their communities is being stripped away—often with zero debate.** For detailed instructions on ways to share your position on these and any other bills, see *“How to Make Your Voice Heard”* below.

Here are the bills that passed the Senate on Thursday (with NHMA position):

- [SB 84](#) (oppose), mandates zoning ordinances to allow smaller lot sizes for single-family homes, overriding current zoning regulations in many municipalities. As amended, the bill sets minimum lot sizes as one-half acre for lots with access to public water and sewer, one acre with access to public water, and two acres for lots with no public water/sewer access. **SB 84** was one of the few zoning mandates that the full Senate had a [chance to debate](#) and we thank the 10 senators who voted against the bill for their thoughtful consideration.
- [SB 163](#) (oppose) prohibiting local moratoria and limitations on building permits.
- [SB 170](#) (oppose) limits various development and related requirements, significantly reducing municipal autonomy with regard to setbacks, road frontage

requirements, and the ability to limit the number of lots on dead-end streets, as well as the ability to implement more stringent well and septic requirements than the statewide standards.

- [SB 174](#) (oppose) prohibits planning boards from considering the number of bedrooms a given unit or development has during the hearing and approval process.
- [SB 281](#) (oppose) prohibits municipalities from denying building or occupancy permits for property adjacent to class VI roads under certain circumstances.
- [SB 282](#) (oppose) reduces stairway requirements in certain residential buildings.
- [SB 283](#) (oppose) requires municipalities to exclude below-grade areas from floor-area-ratio (FAR) calculations and review and adjust height limitations as needed to maximize capacity and height potential for new construction.
- [SB 284](#) (oppose), prevents municipalities from setting the maximum residential parking spaces per unit to more than one parking space per residential unit, except that studio and one-bedroom units under 1,000 square feet that meet the requirements for workforce housing, and multi-family developments of 10 units or more may require up to 1.5 parking spaces per unit.

## More Zoning Mandates (No, Really)

On Thursday, the House passed [HB 631](#), another zoning mandate opposed by NHMA which, as amended, permits residential building in commercial zones by right, expanding the potential for mixed-use developments. While promoting urban density, it will lead to conflicts over land use priorities and contradicts one of the key purposes of zoning in RSA 674:17: to “consider the character of the area involved and its peculiar suitability for particular uses.” We are grateful to the 134 House members who saw the issues with this bill and voted against passage.

On **Tuesday, March 25, at 10:45 a.m. in State House (SH) Room 100**, the [Senate Commerce Committee](#) will hold a public hearing on [HB 577](#), which NHMA opposes. The bill allows either one detached or attached accessory dwelling unit (ADU) by right on single-family lots. The bill also removes several key planning tools that promote reasonable and responsible development as it pertains to ADUs in municipalities and treats attached and detached ADUs the same, which ignores some nuanced differences between the two. In a nutshell, **HB 577** would turn single-family residential zones into two-family residential zones.

Please attend this hearing and testify to share your concerns or [sign in remotely](#) to oppose **HB 577**.

## Meals and Rooms Tax Distribution Discussed

Last week, a proposal was floated in the [House Finance Committee Division I](#) to **reduce the municipal share of the meals and rooms tax distribution** from 30% to 25%, alongside a significant change to the apportionment formula. **Alarmingly, it was suggested that under this new formula, some municipalities could receive no distribution at all!**

No votes have been taken on this proposal as of this morning, but the [House Finance Committee](#) is looking to cut approximately \$200 million from the budget it began with. As one member noted, **“We’re going to have to grab all the money we can from somewhere for the general fund.”**

**NHMA needs you to [contact members of Division I](#) and [the entire Finance Committee](#) to nip this misguided proposal in the bud.**

As you know, municipalities have faced a long history of receiving less than the statutory 40% share of the meals and rooms tax. It was only in 2021 that local governments began receiving 30%, following more than a decade of reduced funding. This state aid is a crucial resource for all of our 234 members, supporting essential services and infrastructure. A rollback to 25%—and a formula that could potentially eliminate distributions for some towns—would undermine this vital support system.

Remind them of the importance of maintaining a fair and equitable share for all municipalities and the positive impacts the 30% distribution has had on local governments since its implementation and also point out that many towns just approved their operating budgets this month and changes to state aid at this point would only result in property tax increases and/or reduced services **for their constituents.**

## Ambulance Billing Destined for House-Senate Showdown

Last week, the Senate passed [SB 245](#), which NHMA supports, eliminating balance billing—*i.e.* billing a patient for the difference between the full cost of the service and the amount their insurance plan pays—for ground ambulance service with the reimbursement rate for insured patients set at 325% of the current urban, rural, or super-rural Medicare rates, depending on the geographic area where the ambulance service originated.

This week, the [House Commerce and Consumer Affairs Committee](#) voted to recommend passing [HB 316](#), which also eliminates balance-billing but sets the reimbursement rate for non-Medicare/Medicaid health insurance carriers at approximately 200%. NHMA opposes this rate because in many cases this

reimbursement is much lower than the actual cost. The committee also recommended retaining [HB 725](#), which set the reimbursement at 325%.

Supporters of the 325% reimbursement have created a website where individuals can add their names to a letter of opposition to **HB 316**. See: <https://supportnewhampshireems.com/forms/hb316>

If the House and Senate can't reconcile their positions on reimbursement rates this year, the Senate also passed [SB 130](#), which as amended, establishes a commission to study the issue.

## Update on Retirement System Bills

A pair of bills proposing cost-of-living adjustments (COLAs) for NH Retirement System (NHRS) annuitants were acted in recent weeks, although the likelihood of either becoming law is slim.

On March 6, the Senate passed and then tabled [SB 242](#), which provides COLAs only to Group II first responders. The projected cost of this bill is \$98.4 million, which would be funded entirely by the state through the General Fund. The Senate Finance Committee typically tables high-cost items not included in the operating budget for future consideration.

Last week the House tabled [HB 536](#), which provides a COLA to anyone who retired on or before July 1, 2020. The fiscal note states the bill would add more than \$100 million to the system's unfunded liability, paid off through increased employer contributions over a 20-year period beginning in fiscal year 2028 – an additional \$3.34 million cost to municipalities. NHMA opposes this bill due to the cost.

In the current fiscal climate, these bills are all but certain to die on the table.

Earlier this session, two bills dealing with the hours an NHRS retiree may work for participating employers, [HB 622](#) and [HB 702](#), were killed by the House, along with [HB 534](#), which dealt with pay types included in the pension calculation. Another bill, [HB 637](#), dealing with benefit formulas for a limited number of employee and teacher retirees, was tabled.

Last week, the House also tabled [HB 581](#), establishing a defined contribution retirement plan for new state employees only. However, **House Finance Division I** voted this week to recommend adding the plan into [HB 2](#).

Of course, these developments do not mean significant retirement system changes are off the table this session. **HB 2** includes language that would roll back various retirement reforms instituted by the legislature in 2011 that impact police and fire (Group II) members of the NHRS who were hired prior to July 1, 2011—a top priority for the



governor. Unlike similar legislation in prior years, **HB 2** does propose funding the full, \$100-million-plus cost of these changes by appropriating \$27.5 million in each fiscal year of the upcoming budget. **HB 2** also calls for that amount to be funded annually through FY 2034; however, we are concerned that commitment could be changed by a future legislature.

NHMA supports the continuing existence of a retirement system for state, municipal, school, and county government employees that is secure, solvent, fiscally healthy, and financially sustainable, and that both employees and employers can rely on to provide retirement benefits for the foreseeable future. However, we oppose legislation expanding benefits that increase current or future employer contribution costs.

## In Case You Missed It

Here are recent updates on some bills we've written about in previous editions of the Bulletin:

The [House Ways and Means Committee](#) waived **HB 123**, an NHMA-supported bill passed by the House last week that modifies the existing yield tax on cut timber in RSA 79, often called the “timber tax,” to include taxing the yield of the metric tonnage of carbon sequestered from standing timber, meaning the bill will head off the Senate.

**SB 297**, which relates to the operations and oversight of risk management pools, passed the Senate on Thursday and was referred to the House. NHMA is opposed to **SB 297** because it contains provisions that will affect city and town expenses and change the terms of membership with risk pools.

On Wednesday, the [House Commerce and Consumer Affairs Committee](#) recommended ought-to-pass on **HB 467**, which allows municipalities to establish designated social districts where people could carry alcoholic beverages in open spaces or between establishments that serve food and alcohol. Importantly, the bill, which NHMA supports, includes safeguards to prevent misuse and ensures that the governing bodies have the authority to decide whether a social district can exist and determine its specific location. **HB 467** will be voted on by the House on **Wednesday** or **Thursday, March 26-27**.

The House last week killed **HB 544**, allowing municipalities to adopt a local option fee on no more than \$2 per day to be assessed on hotel occupancies for municipal public safety services, helping offset the cost burden of services associated with increased tourism and transient traffic. NHMA has a long-standing policy supporting this local option. With high property taxes being a flashpoint at the legislature, it is unfortunate that modest new streams of local revenue are continuously defeated.

## Follow Bills That Matter to You Online

In addition to our weekly *Legislative Bulletin*, NHMA provides members access to FastDemocracy, an online bill tracking platform, for efficient, real-time updates to legislative activity of interest to members. This tool can help ensure that you know when the bills that you care about most are scheduled for public hearing or votes.

Visit our online [Bill Tracker](#) page to learn more and feel free to subscribe to weekly or daily updates on subjects and bills of interest.

## How to Make your Voice Heard

The adage goes that “life is all about showing up.” The same can be said for legislative advocacy. If a bill is of importance to your municipality, it’s always best to make your case – for or against – in person. Every Friday, NHMA posts a [Bill Hearings Schedule](#) for the upcoming week. However, if you can’t make it to Concord, you can use the Legislature’s online portal to put your position on the hearing record.

The House has an [online testimony submission system](#) that allows you to indicate your position on the bill with an option to attach testimony. If you want to email all the members of a House committee, you will have to copy their email addresses individually from the [committee page](#).

The Senate has [a remote sign-in sheet](#) where you can indicate whether you are supportive of a bill, opposed, or neutral. Written testimony can be submitted via the “Email Entire Committee” link found on the [Senate committee page](#).

If you have time to follow along, livestreams of [House](#) and [Senate](#) sessions and committee meetings are available on YouTube. Prior sessions and committee meetings are also archived.

Finally, if you just want to contact your legislators, there are [Contact a Senator](#) and [Contact a Representative](#) links on the [General Court](#) website.

Note: For anyone who prints these emails out, all of the above links are available on the General Court website at: <https://gc.nh.gov/>

Because the House and Senate have moved to digital calendars, committees can now reschedule when there is bad weather, absences, or when issues with bills haven’t been worked out. If you are planning to attend a hearing or work session in person, we strongly recommend checking the [House Digital Calendar](#) and [Senate Digital Calendar](#) before heading to the State House. For those of you with an interest in a particular bill or set of bills, please use the ‘subscribe’ feature on [FastDemocracy](#) to get email updates when those bills are scheduled or rescheduled.



## **Reminder: Sharing is Caring ... About Good Public Policy!**

If you know of anyone who may benefit from the NHMA Legislative Bulletin feel free to pass this email along and encourage them to sign up!

Members can subscribe to the Bulletin through our member portal at: <https://nhmunicipal.weblinkconnect.com/portal>

Once you are logged in, click “edit this profile” and “newsletter management.” You can sign up for the *Legislative Bulletin*, *Newslink*, and *Town & City* magazine in one place! (If you are having trouble logging into your account, [follow these steps](#).)

Nonmembers can email [info@nhmunicipal.org](mailto:info@nhmunicipal.org) to be added to our email list for the *Legislative Bulletin*.

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### **NHMA Events Calendar** **2024 Final Legislative Bulletin**

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